

Fact Sheet: State Employee Health Benefits

The Department of Administration has operated under the principle that benefits provided to State of Idaho employees, whenever possible, be comparable to those provided by other major employers in Idaho. **The most comprehensive coverages available are negotiated based on the funding appropriated annually by the Idaho Legislature.**

Current Appropriation

The current appropriation is **\$593.75** a month, or **\$7,125 per FTP** per year. This includes **\$8** per month subsidy of the retiree medical plan costs, **\$17.08** for dental; and **\$7.94 per FTP** per month for the Integrated Behavioral Health Plan.

Negotiations Centralized in 1975

Prior to July 1974, each agency negotiated benefits for its employees. With the enactment of **Idaho Code Sections 67-5760 through 67-5772**, the authority and responsibility for the negotiation and placement of group insurance was centralized for all State agencies.

In **Fiscal Year 1975**, a comprehensive major medical benefits plan was implemented. In **FY 1976**, the State moved to a Basic/Major Medical plan. In **FY 1984**, the plan format was changed with incentives added to the plan encouraging employee use of lower cost services. In **FY 1987**, a Dental Assistance plan was implemented.

Plan Changes and Choices

Since **FY 1991**, the State has paid a larger portion of dependent coverage; subsidized the retiree plan rates; and, built a reserve from which to pay the normal State medical/dental contribution for disabled employees for up to 30 months. A state-funded Employee Assistance Plan (EAP) was implemented in Fiscal Year 1991.

Multiple plan choices were offered in **FY 1994** with the implementation of HMO and Modular Indemnity Plan options. Effective **July, 2001** funding under the medical plans was used to implement the Integrated Behavioral Health Plan. In **FY 2004** the Modular Indemnity Plan options and Point of Service Plan were replaced with one traditional indemnity plan.

For **FY 2005**, the Health Plan was re-marketed with contracts awarded to Blue Cross of Idaho, BPA Health and Vision Services Plan. Traditional and PPO Plan options were made available. The State contributes toward the cost of the medical and dental coverage for each employee.

STATE of IDAHO PLAN MEMBERS

EMPLOYEES,
RETIREES
and
DEPENDENTS
COVERED

As of June 30, 2005

Employees	18,307
Dependents	22,751
Retirees	3,137
Dependents	1,443
Total	45,638

Contact Information:

Department
of Administration

Office of Group
Insurance

1-800-531-0597
332-1860 (Boise)

[www2.idaho.gov/adm/
insurance/group_index.
htm](http://www2.idaho.gov/adm/insurance/group_index.htm)

How the Insurance Plan Works ...

The State contribution is the same for each employee, regardless of the number of dependents the employee enrolls, or the plan they choose.

The basic principle of a "group" insurance plan is to spread the "risk" of medical/dental costs of a large group over all participants. This results in more affordable rates, particularly for those in need of higher levels of health care service. In some years, there are employees who do not receive reimbursement because they do not have any health care expenses, or the little they do have falls within deductible limits. Statistically speaking, in one out of ten years that same individual will have need to use the benefits as the result of a catastrophic medical illness or accident.

As members of the Group Plan age, claims can be expected to increase due to increased use of services associated with growing older. Rates can be expected to increase as claim levels increase. (10/05)